

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 1999-163-C - ORDER NO. 1999-593
AUGUST 24, 1999

IN RE: Application of Concert Communications)	ORDER
Sales, LLC for a Certificate of Public)	GRANTING
Convenience and Necessity to Provide Resold)	AUTHORITY
Intrastate Interexchange Telecommunications)	
Services within the State of South Carolina)	
and for Alternative Regulation.)	

This matter comes before the Public Service Commission of South Carolina (the "Commission") by way of the Application of Concert Communications Sales, L.L.C. ("CCS" or the "Company") requesting a Certificate of Public Convenience and Necessity authorizing it to provide intrastate resold telecommunications services between and among locations within the State of South Carolina as a non-facilities based interexchange telecommunications provider. The Company's Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1998) and the Regulations of the Public Service Commission of South Carolina. By its Application, CCS also requested alternative regulation of its business services offerings identical to that granted to AT&T Communications in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

The Commission's Executive Director instructed the Company to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested parties of CCS's Application and of the manner and time in which to file the appropriate pleadings for

participation in the proceeding. CCS complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. No Petitions to Intervene or Protests were filed.

A hearing was convened on July 15, 1999, at 11:30 a.m. in the Commission's Hearing Room. The Honorable William Saunders, presided. CCS was represented by Robert D. Coble, Esquire. Jocelyn D. Green, Staff Counsel, represented the Commission Staff.

Maria de Fatima Silveira, Regulatory Counsel of CCS, appeared and testified in support of the Application. The record reveals the Company will offer a full range of 1+ interexchange services and data transmission services, including, but not limited to, MTS, private line, WATS, post-paid calling card, toll free, ISDN, and frame relay service products. The Company does not plan to offer operator services. Further, the Company's offered services will include data transmission for international companies. Ms. Silveira testified that upon completion of the creation of a ten billion dollar global venture by British Telecommunications and AT&T, CCS will become a part of the Global Venture. Furthermore, CCS will rely upon the financial assets of British Telecommunications, whose financial assets as of March 31, 1998, exceeded twenty-five billion dollars.

Initially, when the Company offers its services in South Carolina, it will target business customers only. Further, CCS will market its services through its staff and it will abide by the marketing guidelines instituted by this Commission. The Company is requesting the Commission to regulate its business services in the same manner as the

Commission permitted for AT&T Communications pursuant to the procedures described and set out in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. As of July 15, 1999, CCS had been certified to provide its telecommunications services in the following states: Alabama, Arkansas, Colorado, Indiana, Illinois, Iowa, Mississippi, Montana, Nevada, New Hampshire, New Jersey, North Dakota, North Carolina, New York, Texas, Ohio, Tennessee, Wyoming, Washington, Oregon, Wisconsin, and Rhode Island. As of the hearing date, the Company was not operating or providing its telecommunications services in any of these states. CCS's customer service department will be operated by CCS and will employ a Formal Complaint Manager to handle customer complaints, etc. The department will be available twenty-four hours a day, seven days a week. In addition, Ms. Silveira testified the Company will provide its own billing services. After the global venture between British Telecommunications and AT&T is completed, however, the billing services may be completed by a company other than CCS. Finally, Ms. Silveira testified CCS will operate in accordance with Commission rules, regulations, guidelines, and Commission Orders.

After full consideration of the applicable law, the Company's Application, and the evidence presented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. CCS is organized as a corporation under the laws of the State of Delaware and is authorized to do business as a foreign corporation in the State of South Carolina by the Secretary of State.

2. CCS operates as a non-facilities based reseller of interexchange services and wishes to provide its services in South Carolina.

3. CCS has the experience, capability, and financial resources to provide the services as described in its Application.

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to CCS to provide intrastate interLATA service and to originate and terminate toll traffic within the same LATA, as set forth herein, through its own facilities and through the resale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Service (MTS), Foreign Exchange Service, Private Line Service, or any other services authorized for resale by tariffs of carriers approved by the Commission.

2. The Commission adopts a rate design for CCS for its resale of residential services which includes only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. CCS shall not adjust its residential rates below the approved maximum level without notice to the Commission and to the public. CCS shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public

notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level for residential services reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1998).

4. With respect to CCS's business service offerings including consumer card, future private line, and customer network-type offerings, the Commission adopts a relaxed regulatory scheme identical to that granted to AT&T Communications in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. Under this relaxed regulatory scheme, tariff filings for business services shall be presumed valid upon filing. The Commission will have seven (7) days in which to institute an investigation of any tariff filing. If the Commission institutes an investigation of a particular tariff filing within the seven days, the tariff filing will then be suspended until further Order of the Commission. Any relaxation in the future reporting requirements that may be adopted for AT&T shall apply to CCS also.

5. If it has not already done so by the date of issuance of this Order, CCS shall file its revised tariff and an accompanying price list within thirty (30) days of receipt of this Order. The revised tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations.

6. CCS is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers and facilities-based interexchange carriers should be treated similarly.

7. With regard to the Company's resale of service, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

8. CCS shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If CCS changes underlying carriers, it shall notify the Commission in writing.

9. With regard to origination and termination of toll calls within the same LATA, CCS shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993).

10. As a condition of offering debit card services, the Commission requires the Company to post with the Commission a bond in the form of a Certificate of Deposit worth \$5,000 drawn in the name of the Public Service Commission of South Carolina or a surety bond in the amount of \$5,000 which is payable to the Commission. The Certificate of Deposit shall be drawn on federal or state chartered banks or savings and loan associations which maintain an office in this state and whose accounts are insured by either the FDIC or the Federal Savings and Loan Insurance Corporation. A surety bond shall be issued by a duly licensed bonding or insurance company authorized to do business in South Carolina. This condition may be reviewed in one year.

11. If the Company sells its debit cards to retail establishments for resale of the debit cards, and the retailer of the debit cards deviates from the suggested retail price as filed in the tariff, or as approved by the Commission in a special promotion, then the Company will withdraw its cards from that retail outlet. This Commission strongly suggests that the Company enter into written agreements with its South Carolina retail outlets regarding this policy of abiding by suggested retail pricing prior to the outlet marketing the card.

12. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests, and repairs. In addition, the Company shall provide to the Commission in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. CCS shall file the names, addresses, and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. Attachment A shall be utilized for the provision of this information to the Commission. Further, the Company shall promptly notify the Commission in writing if the representatives are replaced.

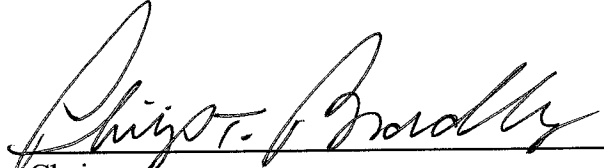
13. The Company is directed to comply with all Rules and Regulations of the Commission, unless a regulation is specifically waived by the Commission.

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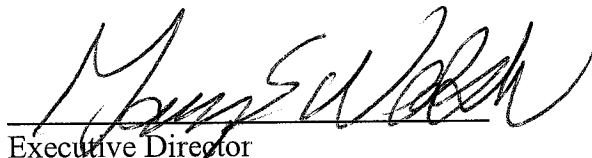
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14. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)

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ATTACHMENT A

**INFORMATION OF THE AUTHORIZED UTILITY
REPRESENTATIVES FOR INTEREXCHANGE, LOCAL
AND AOS COMPANIES**

PURSUANT TO SOUTH CAROLINA PUBLIC SERVICE COMMISSION
REGULATION 103-612.2.4(b), each utility shall file and maintain with the Commission
the name, title, address, and telephone number of the persons who should be contacted in
connection with Customer Relations/Complaints.

Company Name/DBA Name

Business Address

City, State, Zip Code

Authorized Utility Representative (Please Print or Type)

Telephone Number

Fax Number

E-Mail Address

This form was completed by

Signature

If you have any questions, contact the Consumer Services Department at 803-896-5230